

COMMONWEALTH OF MASSACHUSETTS
Executive Office of Housing and Economic Development

OFFICE OF PERFORMANCE MANAGEMENT & OVERSIGHT

Massachusetts Convention Center Authority

FISCAL 2015 ANNUAL REPORT

INTRODUCTION

The Massachusetts Convention Center Authority (MCCA) Fiscal 2015 Annual Report complies with the requirements of the Office of Performance Management Oversight created by Chapter 240 of the Acts of 2010 – An Act Relative to Economic Development Reorganization. It includes goals set for the year and the performance measurements by which to evaluate goals, programs, and initiatives.

AGENCY OVERVIEW

The Massachusetts Convention Center Authority (MCCA) owns and oversees the operations of the Boston Convention & Exhibition Center (BCEC), the John B. Hynes Veterans Memorial Convention Center, the MassMutual Center in Springfield, Mass. and the Boston Common Garage. The BCEC and Hynes have earned a rare gold standard from the International Association of Congress Centres (AIPC), making Boston only the fourth city in North America and the 12th worldwide to have been awarded this top standard, the highest certification level a convention facility can achieve under strict AIPC guidelines.

In 2014, the MCCA hosted 262 events at the BCEC and Hynes with 845,119 attendees, generating 630,000 hotel room nights and \$780 million in direct and indirect economic impact.

The mission of the MCCA is to generate significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.

The vision statement adopted by the MCCA

- Become a Top 5 convention destination in North America.
- Remain a leading destination in North America for international events.
- Provide the best experience to our customers and consistently exceed their expectations of Boston.

FISCAL YEAR 2016 ANNUAL PLAN

GOALS	STRATEGY	MEASUREMENT
Maximize rooms nights, events and attendance	The MCCA will significantly increase the amount of economic impact, revenue, jobs and new business that major conventions deliver to the Commonwealth.	<p>In total, MCCA events resulted in 630,000 room nights and 720,000 attendees.</p> <p>262 Events were held at the BCEC and the Hynes during Fiscal Year 2015.</p> <p>In addition, 299 future events were sold in FY 2015, including 94 “long-term” events. These events typically consume the bulk of annual room nights and bring thousands of visitors to Boston per event.</p>
Maximize measurable economic impact.	The MCCA's mission is to generate significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.	<p>Fiscal Year 2015 marked a strong year for event performance at the MCCA. Based on the number of attendees and hotel nights, as well as surveyed hotel rates and related spending of our guests, the MCCA calculates the following:</p> <ul style="list-style-type: none"> • An estimated \$780 million in direct and indirect economic impact associated with our events; • \$43 million in city and state taxes generated; and, • 7,600 jobs supported directly and indirectly as a result of our activities.
Increase non-CCF resources as a share of MCCA's annual expense, as measured by the % of operating revenues covered by MCCA operating revenues (coverage ratio).	The MCCA is developing revenue generating initiatives to make our facilities more self-sufficient and less reliant on tourism tax revenue.	<p>Total MCCA operating revenues were \$65.7 million in FY 2015, compared to \$52.3 million in FY 2014.</p> <p>The coverage ratio was 0.78, vs 0.70 in the preceding year.</p> <p>The amount of revenue generated annually through non-event activities, or Commercial Revenue, was \$1.7 million. This was down from the FY14 amount of \$2.1 million. Still, this revenue category has grown as a % of MCCA annual revenues as the MCCA has worked to diversity its revenue streams.</p> <p>(The MCCA's FY 2015 financials can be found at: http://massconvention.com/assets/pdf/Financial_state_ments_(signed).pdf)</p>

<p>High customer services ratings by show management and attendees. Customer service ratings of good or better.</p>	<p>As we strive to provide an exceptional experience to customers, it is important that we routinely scrutinize all phases of our operations. The feedback helps us make meaningful changes to improve the experience of clients and future customers.</p>	<p>The latest survey results on more specific measures such as: Facility Experience, Wireless Network, Transportation and Parking, and City of Boston Experience. Key highlights include:</p> <ul style="list-style-type: none"> • Of the 1,332 BCEC exhibitors who responded, 1,259 exhibitors (94%) rated their overall experience as Excellent, Very Good or Good. • Of the 610 Hynes exhibitors who responded, 571 exhibitors (93%) rated their overall experience as Excellent, Very Good or Good. • 96% of attendees rated ambiance and atmosphere of the BCEC as Excellent, Very Good or Good. • 97% rated ambiance and atmosphere of the Hynes as Excellent, Very Good or Good. • Of the FY14 attendees who responded to Wi-Fi experience ratings, 87% confirmed they did not experience any problems or difficulty connecting at the BCEC. • Of the FY14 attendees who responded to Wi-Fi experience ratings, 89% confirmed they did not experience any problems at the Hynes. • 89% of BCEC attendees rated Taxi Fare/Route as Excellent, Very Good or Good. • 91% of BCEC attendees rated Availability of Taxis as Excellent, Very Good or Good. • 87% of attendees rated Taxi Fare/Route as Excellent, Very Good or Good. • 92% of attendees rated Availability of Taxis as Excellent, Very Good or Good. • 99% of the 6,622 attendees who chose to rate their event experience in Boston in FY14 rated their experience as Good or better.
<p>Remain the technology leader among US convention centers.</p>	<p>The MCCA's technology leadership has been a selling point for events coming to the BCEC and the Hynes. In addition, technology is often a significant portion of an event's budget.</p>	<p>The MCCA made \$5.9 million in technology-related investments in FY 2015, including expanding the WiFi capabilities substantially at the BCEC (see below), replacing the media matrix system at the BCEC, and deploying a new mobile device-based "way-finding" system.</p>

		The state-of-the-art WiFi upgrade will increase the number of existing wireless access points from 113 to at least 580, meaning a 413 percent increase in number of access points throughout the BCEC.
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